

INFORMATION LETTER

Not for
Publication

NATIONAL CANNERS ASSOCIATION

For Members
Only

No. 617

Washington, D. C.

September 5, 1936

QUESTIONS UNDER ROBINSON-PATMAN ACT

Board of Directors Modifies Policy with Respect To Individual Inquiries

At the meeting of the Board of Directors held in Chicago on July 17th last, it was generally agreed that questions under the Robinson-Patman Act concerning the legality of selling methods of individual canners could be determined only in the light of complete knowledge as to their particular prices, customers, discounts, and sales practices, and that interpretations concerning particular sales by individual canners would not necessarily apply to other sales by that canner or other canners. After full discussion, the Board passed a resolution limiting the Association's further activities to the reporting of rulings, decisions and general interpretations, and providing further that "the Association should not undertake to render opinions upon individual inquiries relating to specific cases."

At this meeting, it will be recalled, the possibility of securing uniform interpretations for the canning industry through the approval of Trade Practice rules by the Federal Trade Commission was also discussed and a resolution appointing a Trade Practice Committee to investigate this possibility was adopted. This Committee is now at work.

Meanwhile, the Washington office of the Association has been receiving many inquiries from its members concerning the meaning of the statute. A number of these inquiries relate in general terms to portions of the Act which are quite clear and could therefore be answered satisfactorily. Others are wholly dependent upon individual selling practices and would require not only extensive correspondence but the adoption by the Association of one of many possible conflicting interpretations. Others might require a discussion of the legal status of particular identified or named buying organizations which obviously might involve the Association in some embarrassment. Nevertheless, certain of the more general inquiries might readily be answered. In view of the resolution of the Board, the executive officers of the Association have hesitated to answer any specific inquiries by individual canners concerning this statute.

This situation has been presented to the Board of Directors and in order that the Association may continue to render its usual service to its membership, the Board of Directors has modified its resolution of July 17th to read:

"Further that in the opinion of the Board of Directors the Association's future activities in connection with the matter should be limited to the reporting of rulings, decisions and general interpretations relating thereto, and that because of the complexities referred to in the aforementioned bulletins the Association should not undertake to render opinions upon individual inquiries relating to specific cases, except in cases when the Association's counsel feels that questions asked by members can be satis-

factorily answered in such manner as not to create any precedent which would afterwards be embarrassing to the Association."

Compliance with the direction of the Board will necessarily preclude the Association from answering questions by members which will require a determination of the status of identified or identifiable buying or selling organizations. It will therefore not be possible to advise canners concerning particular organizations which are named or which may readily be identified. It will likewise not be feasible to deal with questions which will require extensive correspondence or examination of all of the selling methods of a particular member, since such activity would be beyond the scope of the Association's powers. In addition, it will probably prove necessary, as a matter of policy for the Association's protection, to avoid adoption of any particular interpretation among several conflicting possible interpretations of the more controversial sections of the statute. For obviously such sections can be clarified only by Trade Commission or court decision. Replies to such inquiries as can be answered will be by letter, and there will be no publication of such answers.

This modification will enable the Association's officers more satisfactorily to serve the membership of the Association. Inquiries should be addressed to the Washington office of the Association, and the staff will endeavor to answer to the fullest extent possible under the modified resolution. Our members appreciate the many complexities and ambiguities in the Robinson-Patman Act, and any replies to inquiries must, in the absence of Trade Commission or court decision, be considered as suggestive rather than as a final interpretation.

Insect Infestation of Tomatoes

The attention of tomato canners is again called to the need of all possible precautions to protect their raw tomatoes from the vinegar fly in order to prevent the development of the vinegar fly larvæ. This subject was discussed in some detail in the Information Letter for May 27, 1933. It is suggested that all tomato canners and manufacturers of tomato products refer again to that article published in the Information Letter just mentioned to make sure that they are taking all possible precautions to prevent the development of vinegar fly larvæ. It should be noted that there is always danger of such infestation when tomatoes are held more than 24 hours after picking before they are canned or used in the manufacture of tomato products.

The tomato fruit worm (corn ear worm) was discussed in the Information Letters for July 20 and August 24, 1935. While reports from several sections indicate that the ear worm is considerably less abundant on both corn and tomatoes than at different times in the past, the most careful precautions are necessary to eliminate all danger of contamination of the canned product.

Navy To Buy Canned Apples

The Navy Department is asking for bids on canned apples and apple sauce for delivery at various East and West Coast points. Bids will be received up to October 13th. Copies of the schedules on which to submit bids (canned apples 8714 and canned apple sauce 8716) may be obtained from the Bureau of Supplies and Accounts, Navy Department, Washington, D. C.

Japanese Canned Crab Exports

According to a report in the August "Canned Food Times," Japanese monthly trade journal devoted to the canning industry, exports of canned crab meat from Japan during the first half of 1936 amounted to 156,377 cases, a decline of 6,229 cases from the total recorded during the same half of 1935, amounting to 162,606 cases.

Exports to the United States, the leading market, dropped from 94,646 cases during the first half of 1935, to 67,852 cases during the 1936 period, a decline of 26,792 cases. Shipments to Great Britain, the second most important market, increased, however, from 47,681 cases to 58,096 cases.

During the first half of 1936 the Japan Tinned Crab Meat Association inspected and approved for export a total of 141,132 cases of canned crab meat, including 80,003 cases of the new pack and 61,129 cases of the old pack. The excess of exports over the total inspected and approved for export is explained by the fact that a share of the 1936 first half shipments were actually inspected during the last half of 1935.

Australian Canned Fruit Exports Decline

Shipments of canned fruit from Australia in the first six months of 1936 were considerably smaller than in the corresponding period of 1935, according to figures issued by the Australian Canned Fruits Control Board. Exports, stated in cases of two dozen 30-ounce tins, were as follows during the first half of the two years:

	1935 Cases	1936 Cases
Apricots.....	110,509	118,000
Peaches.....	499,408	370,000
Pears.....	273,291	255,000
Pineapples.....	30,000	2,300

Of these exports, 676,000 cases went to the United Kingdom, 50,000 cases to Canada, and 10,000 cases to New Zealand.

New Circular On Tomato Insects

The California Experiment Station at Berkeley has recently issued Circular No. 99 entitled "Important Tomato Insects of California." This discusses corn ear worm and other tomato insects and suggests various treatments that have been found helpful as control measures. The illustrations, both from photographs and from line drawings, showing anatomical details of structure of larvae, make this publication especially valuable for use by cannery analysts and technicians.

Fruit and Vegetable Market Competition

Carlot Shipments as Reported by the Bureau of Agricultural Economics, Department of Agriculture

VEGETABLES	Week ending			Season total to	
	Aug. 29 1935	Aug. 29 1936	Aug. 22 1936	Aug. 29 1935	Aug. 29 1936
Beans, snap and lima	15	15	23	9,516	7,916
Tomatoes.....	242	302	272	19,077	19,133
Green peas.....	258	168	173	6,300	6,346
Spinach.....	3	14	0	5,481	7,474
Others:					
Domestic, competing directly.....	2,437	1,983	672	114,360	128,141
Imports competing indirectly.....	3	2	0	3	3
FRUITS					
Citrus, domestic.....	1,779	1,467	1,360	139,360	122,862
Imports.....	32	67	54	91	182
Others, domestic.....	6,069	6,215	4,776	37,207	41,345

Rainfall and Temperature Records

The following table gives the average temperature and total rainfall for the principal growing districts for each of the last two weeks, as shown by the U. S. Weather Bureau reports for selected stations in these districts:

DISTRICT	Week ended Aug. 25, 1936		Week ended Sept. 1, 1936	
	Temp.	Rain	Temp.	Rain
Maine.....	65	.7	62	.5
Western New York.....	75	1.0	65	.5
Tri-States.....	82	.2	74	3.4
South Central Ohio.....	83	1.1	73	3.2
Central Indiana.....	88	.0	75	2.2
Central Illinois.....	88	.3	76	.3
Northern Illinois, Southern Wisconsin.....	78	2.2	68	2.4
Southern Minnesota.....	76	1.9	66	1.2
Northern Colorado.....	74	.2	73	.0
Northern Utah.....	77	.0	73	.0
Northwestern Washington.....	66	.4	67	.5
Southeastern Washington.....	71	.0	72	.0

Japan Exports Smoked Salmon in Oil

During May exports of Japanese smoked salmon in oil totaled 1,587 cases, of which the United States took 1,480 cases, according to the American trade commissioner at Tokyo. During the first 5 months of 1936 shipments amounted to 5,643 cases, including 4,635 cases to the United States, 400 cases to Canada, 377 cases to African countries, and 50 cases to Australia and other areas.

This business was started in February, 1936, when trial shipments were made to the United States and Europe. The samples stimulated a regular business and it is reported that orders now being received cannot be filled at once. Other packers are being attracted by the success of the single firm now packing smoked salmon in oil and it is possible that exports will show a decided increase in the next few years.

EXPORTS AND IMPORTS OF CANNED FOODS

	July, 1935		July, 1936		Jan.-July, 1935		Jan.-July, 1936	
	Pounds	Value	Pounds	Value	Pounds	Value	Pounds	Value
EXPORTS								
Canned meats, total..	1,350,026	\$453,682	1,015,142	\$288,797	8,231,487	\$2,807,858	7,243,685	\$2,176,657
Beef.....	121,084	41,278	149,228	42,143	1,468,407	497,243	1,147,781	341,082
Pork.....	1,059,632	364,889	604,715	201,965	5,654,044	2,047,301	4,442,622	1,463,727
Sausage.....	58,842	15,848	73,970	20,335	584,095	151,704	644,006	173,299
Other.....	110,468	31,667	187,229	24,354	524,941	111,610	1,009,276	198,549
Canned vegetables, total..	3,891,319	433,070	4,227,177	446,309	20,435,664	2,081,618	22,610,154	2,345,362
Asparagus.....	2,397,981	317,493	2,250,767	318,938	11,533,088	1,409,451	11,709,722	1,565,207
Baked beans and pork and beans...	472,405	30,743	516,101	24,818	2,828,581	159,409	3,113,450	164,855
Corn.....	53,797	3,743	149,416	10,340	905,365	74,615	1,244,367	92,481
Peas.....	472,490	38,515	356,189	29,029	1,272,276	103,759	1,440,333	115,005
Soups.....	148,122	15,732	167,915	15,763	1,035,356	117,433	1,331,093	134,739
Tomatoes.....	102,747	7,186	286,185	15,416	948,253	62,560	1,051,938	68,761
Other.....	243,777	18,658	500,604	32,005	1,912,715	154,391	2,719,251	204,314
Condensed milk.....	319,281	35,507	85,732	9,322	3,330,892	418,377	1,693,236	195,116
Evaporated milk.....	1,580,930	101,272	1,827,697	140,312	20,923,608	1,394,603	14,418,018	1,049,512
Canned fruits, total..	15,367,197	1,211,190	15,574,042	1,158,863	115,866,970	8,668,213	134,403,916	9,547,479
Apples and apple-sauce.....	1,291,027	53,277	797,683	32,232	7,525,399	324,100	8,622,552	365,733
Apricots.....	4,577,851	345,594	6,774,992	480,997	7,416,757	577,497	13,199,325	955,243
Berries, other.....	102,664	11,955	99,797	12,719	301,661	32,567	497,639	57,376
Cherries.....	100,068	11,375	124,846	15,305	553,830	63,968	786,759	90,651
Fruits for salad.....	2,643,205	291,359	1,299,314	136,988	15,997,998	1,742,216	13,276,389	1,415,164
Grapefruit.....	1,442,673	90,554	1,053,469	73,407	23,376,702	1,350,422	21,908,178	1,344,427
Loganberries.....	1,385,951	97,953	1,186,989	94,570	3,138,697	210,587	2,599,668	186,640
Peaches.....	893,806	64,755	1,026,227	70,973	15,304,419	1,116,403	34,491,655	2,239,111
Pears.....	1,505,279	119,184	1,362,314	87,962	31,979,144	2,404,078	25,724,480	1,786,291
Pineapple.....	1,287,452	111,337	1,604,866	131,942	8,656,614	697,190	10,683,318	890,156
Prunes.....	27,810	2,241			363,033	31,929		
Other.....	109,411	11,606	243,545	21,741	1,252,716	117,256	2,613,953	216,687
Canned fish, total..	5,605,192	468,154	5,108,848	672,703	48,717,239	5,144,227	39,610,051	3,944,090
Mackerel.....	202,224	10,704	76,023	4,715	1,256,275	61,443	400,635	23,564
Salmon.....	1,210,055	184,023	2,836,282	504,532	25,521,803	3,455,259	13,129,899	2,213,493
Sardines.....	3,820,443	217,728	1,885,273	117,049	19,397,537	1,240,489	23,433,708	1,285,027
Shrimp.....	259,735	42,112	144,136	22,960		296,566	1,862,890	298,085
Shellfish, other.....			131,503	18,723			538,434	86,356
Other.....	112,735	13,587	35,631	4,724	667,572	90,470	244,485	37,565
IMPORTS								
Canned meats.....	5,235,724	381,546	7,517,767	704,416	43,838,098	3,067,659	58,035,689	5,645,681
Condensed and evaporated milk.....	11,363	509	148,410	5,299	336,882	28,974	986,763	39,868
Canned fish, in oil:								
Sardines.....	2,783,422	327,795	3,303,649	411,556	14,962,188	1,767,529	18,298,378	2,263,115
Anchovies.....	127,767	40,671	157,681	49,391	1,168,265	406,053	1,247,247	439,798
Tuna.....	884,026	129,867	918,410	148,560	5,277,116	788,999	5,203,762	809,619
Other.....	67,970	17,753	98,324	22,949	284,253	86,630	415,649	114,132
Canned shellfish:								
Crab meat.....	949,922	328,083	972,511	287,114	5,816,980	1,860,702	5,404,578	1,667,867
Clams and oysters..	88,517	15,769	132,989	28,308	704,670	164,922	891,158	191,763
Lobsters.....	113,871	63,646	157,279	92,455	451,424	213,521	457,862	246,458
Other canned fish...	1,267,661	98,921	917,961	71,859	8,529,585	643,567	11,394,098	862,038
Canned vegetables:								
Peas.....	32,687	2,474	7,860	634	647,061	48,670	143,544	9,620
Mushrooms.....	33,053	12,742	25,484	7,830	327,951	106,574	222,679	70,833
Tomatoes.....	2,753,855	114,169	5,969,836	219,966	36,848,695	1,466,221	28,256,920	1,104,846
Tomato paste and sauce.....	302,141	29,052	844,629	77,453	6,051,305	488,485	4,339,944	405,902
Other.....	21,355	1,214	12,464	721	116,831	6,515	159,007	8,611
Canned pineapple, dutiable.....	702,555	33,910	829,861	44,622	4,130,633	197,918	4,646,215	233,534
Philippine Islands, free.....			2,998,298	97,131	3,508,561	176,301	2,998,298	97,131

VITAMIN C TESTS

U. S. Bureau of Home Economics Reports on Experiments with Orange and Tomato Juice

Tests of the comparative vitamin C content of orange juice and tomato juice, reporting in the Journal of Home Economics, are summarized in the following press statement issued by the Department of Agriculture:

"Orange juice contains from two to three times as much vitamin C as tomato juice. Either of the juices loses vitamin C if allowed to stand before using. These results are announced by workers in the Bureau of Home Economics, U. S. Department of Agriculture, in an article published in the Journal of Home Economics. The Bureau points out, however, that when tomato prices are much lower than orange prices, it may be possible to get as much or more vitamin C protection per dollar from tomatoes.

"The tests included both chemical analysis and feeding trials of four varieties of oranges (two from California and two from Florida), fresh pressed juice of tomatoes and juice from a brand of commercial canned tomatoes. The juice of the California Navel oranges was slightly richer than the others but some of the others were enough juicier so that the juice from a fruit of equal size gave as good or better protection. To obtain the same protection from tomato juice it would be necessary to give two or three times as much juice.

"The investigators, Esther Peterson Daniel, Mary H. Kennedy, and Hazel E. Munsell, found that the canned tomatoes which they tested contained as much vitamin C as the fresh sample. These tomatoes were grown in different sections of the country and, since there is a loss of vitamin C in canning, these results raise the question of the effect of soil and climate upon the amount of vitamin C formed in the plant.

"The common household custom of squeezing orange juice at night to serve at breakfast causes a loss of 10 per cent or more of its vitamin C value, even though it stands covered in a refrigerator. Tomato juice from fresh or canned tomatoes also deteriorates when allowed to stand exposed to the air. This may amount to as much as a 40 per cent loss if the juice stands for several days."

Canned Asparagus in Switzerland

Swiss imports of canned asparagus are entirely of American origin. Exact import figures are not available because the Swiss import statistics include asparagus with other canned vegetables in a single item. Trade sources estimate,

however, that about 95 per cent of the imports of canned vegetables from the United States consists of asparagus. In 1935 these imports totaled 1,087,353 kilos valued at about 1,000,000 Swiss francs, according to the American consul at Zurich.

Imports of canned asparagus were first placed under a quota system in 1934, when the quantity that could be imported was first fixed at 600,000 kilos. This quantity proving inadequate, it was increased by approximately 400,000 kilos, making 1,000,000 kilos for the entire year. This quota was repeated for 1935.

The trade agreement between the United States and Switzerland increased the import quota for canned asparagus originating in the United States from 600,000 to 1,000,000 kilos in 1936. It appears, however, that the Swiss demand will not reach that figure. Imports for the first half of the year 1936 totaled only 235,000 kilos. Normally imports are heavier during the second half of the year.

There is only one Swiss canner of asparagus, and this firm is said to have only about 5 per cent of the Swiss market for this product. Its prices are somewhat higher than those charged for the American packs.

Cost of Production of Sweet Corn

The Bureau of Agricultural Economics, U. S. Department of Agriculture, has published a mimeographed tabulation, which it is stated is compiled from official sources, on cost of producing sweet corn in six states for the years 1919-1933 inclusive. The states for which data are included are Maine, Maryland, New Jersey, New York, Pennsylvania and Washington. In Maine, New York and Maryland there is a breakdown by counties or regions. The publication includes a list of sources of data.

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